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EMBASSY VILNIUS FOR THOMAS P. KELLY
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SUBJECT: ARGENTINA: AMBASSADOR WAYNE'S MAY 10 MEETING WITH
LOCAL POLITICAL ANALYSTS

REF: BUENOS AIRES 00906

¶1. (SBU) SUMMARY: On May 10, Ambassador Wayne met with Argentine political analysts and pollsters to discuss the current political panorama and outlook for the October presidential elections. While none of the participants admitted to knowing for sure who will be the official candidate, they all agreed that it appears Cristina Fernandez de Kirchner will run. The group agreed that the Kirchners will probably wait until the last minute in late July to announce their candidate. One participant raised concern that populist groups (piqueteros) are susceptible to influence from Venezuela and Iran, and that the U.S. needs to counter this influence. Another noted that public opinion polls do not show the escalating situation in Santa Cruz province as a major concern among Argentines, but one of the analysts said he thought that further violence in the handling of the teacher strikes could cause serious political problems for Kirchner as we move closer to October. The two clear points of consensus in this dynamic group were that the chances of significant political damage to President Kirchner--be it from corruption scandals or teacher strikes--before the October elections are small and that Kirchner's consistent popularity in the polls remains nearly unchanged. The group was composed of analysts from various political backgrounds and of different ages, giving the discussion a rich dynamic. There was a noticeable difference in the analysis and outlook of the younger analysts, who tended to be more supportive of strengthened democratic institutions than their elders at the table. END SUMMARY.

Participants

¶2. (SBU) On May 10, Ambassador Wayne hosted a lunch of Argentine political analysts and pollsters. The participants included Manuel Mora y Araujo, Director of IPSOS Mora y Araujo polling firm; Enrique Zuleta Puceiro, President of Social and Economic Research Foundation (FINES); Carlos Escude, aide to former President Carlos Menem and professor at Cema University; Jorge Triaca, Executive Director of Pensar Foundation; and Gaston Schulmeister, Project

Coordinator for terrorism and international security at the Fundar Foundation. Embassy has been working with them for years and maintains close contact with them.

Importance of Pinguino or Pinguina

13. (SBU) The group was eager to speculate on whether President Kirchner or his wife, Senator Cristina Fernandez de Kirchner, would be the official candidate in October. While none of the participants admitted to knowing for sure who will run, they all agreed that it appears Fernandez de Kirchner will be the official candidate. Triaca noted that Kirchner will put off announcing the official candidate until it starts to cause political costs. The group agreed that the Kirchners will probably wait until the last minute in late July to announce their candidate. Zuleta Puceiro noted that the more interesting question regarding the October elections is: if Kirchner runs for reelection, who will succeed him? Zuleta Puceiro explained that Kirchner's second term could be marked by a preoccupation with preserving Kirchner's FPV party's hold on power. None of the participants offered a possible successor to President Kirchner besides his wife.

Weakening Institutions--no big deal?

14. (SBU) The group expressed mixed opinions over the weakening of democratic institutions and transparency in Argentina. Escude suggested that the redistribution of wealth is more important than ensuring Argentina has strong functioning institutions to support its democracy. He argued that redistributing the wealth from its current concentration in the hands of massive corporations and elites would help to alleviate poverty and improve the quality of life for Argentines. He also said that it would reintegrate marginalized sectors of the population. Ambassador said that strong institutions would fill those roles.

15. (SBU) The younger analysts were more in favor of concentrating on strengthening democratic institutions and improving the transparency of the government. Both Schulmeister and Triaca seemed more optimistic about Argentine commitment to democracy than the others. They also held more positive views of the political opposition's chances to impact both the June 3 Buenos Aires mayoral elections and to give a good showing in the October presidential elections. (COMMENT: Both Triaca and Schulmeister work with opposition politicians. END COMMENT.) Escude raised concern that populist groups (piqueteros) are susceptible to influence from Venezuela and Iran, and that the U.S. needs to work to counter this influence through public diplomacy and outreach to these groups.

Significance of Santa Cruz Strikes

16. (SBU) The group was also mixed on the significance of the prolonged teacher union strikes in President Kirchner's home province of Santa Cruz (REFTEL). Mora y Araujo noted that public opinion polls do not show the escalating situation as a major concern among Argentines. The group suggested that media coverage of the crisis is making more of it than it is. Zuleta Puceiro suggested that the teachers in Santa Cruz were suffering from a warped sense of normal salaries due to the high salaries paid in the gas and oil sectors in the province. Schulmeister said he thought that further violence in the situation could cause serious political problems for Kirchner as we move closer to October.

Comment

17. (SBU) The May 10 roundtable gave the Embassy an updated perspective on the varied analysis of the current political panorama in Argentina. There was a noticeable difference in the analysis and outlook of the younger analysts, who tended to be more supportive of strengthened democratic institutions than their elders at the table. The younger analysts also seemed more positive about democracy and free markets in general, noting that their generation has only voted in democracy and would not tolerate a departure from democracy in Argentina. The two clear points of consensus in this dynamic group were that the chances of significant political damage to President Kirchner--be it from corruption scandals or teacher strikes--before the October elections are small and that Kirchner's consistent popularity in the polls remains nearly unchanged. END COMMENT.

WAYNE